

SPSO decision report

Case: 201811013, Castle Water Ltd
Sector: Water
Subject: Incorrect billing
Decision: some upheld, recommendations

Summary

C complained on behalf of a business, which operated out of two neighbouring premises. C complained about Castle Water Ltd's management of the business's water account. The business had been a customer of Castle Water Ltd for a prolonged period and paid a monthly direct debit for their water and waste water usage. The business began to receive invoices from Castle Water Ltd that C disputed. Over a number of months, C attempted to clarify why the invoices had been issued and what amounts were due to Castle Water Ltd. C met with a representative of Castle Water Ltd who advised that the business's account was up-to-date and that they were, in fact, in credit. However, a payment of £505.47 was subsequently taken from the business without notice. Castle Water Ltd explained that this amount had previously been overlooked and that it was owed by the business.

C complained that the business was issued with numerous invoices and credits that did not add up to the amounts taken from the business's bank account. C noted that the business had always paid the monthly amounts set by Castle Water Ltd in line with their tariffs and questioned why the business was being charged additional amounts without explanation. The business remained in dispute as to the amounts owed, due to a lack of clear explanation regarding the reasons for the additional invoices. C was also dissatisfied with the way that their complaints to Castle Water Ltd were handled.

Whilst we were satisfied that the provider handled C's complaints in line with their complaints procedure, and did not uphold this aspect of C's complaint, we were however concerned by a number of aspects of their handling of the business's account. We found that the provider began issuing invoices to the business, treating them as an unassigned premises, without realising that the business had already been paying the provider for water services for a number of years.

When C questioned the invoices, the explanations that they were given caused additional confusion rather than providing clear information as to what the charges were for. The billing situation was complex due to there being multiple premises and a mixture of annual and monthly billing schedules. We were critical of Castle Water Ltd for failing to set out their charges in a clear and understandable way. The invoices that were issued bore no relation to the amounts that the business was being charged. Whilst Castle Water Ltd's internal records of the account were accurate and the business was ultimately billed correctly, this was not evident from what was sent to their customer.

We recognised that Castle Water Ltd ultimately acknowledged and apologised for the errors in communication and the lack of clarity in their invoices. They also took steps to improve their services for future customers. However, we were critical of the fact that C had to spend a significant amount of time and effort seeking clarification of the charges that the business owed and the fact that the information provided repeatedly made the situation less clear. Therefore, we upheld the aspect of the complaint that the business's billing account was unreasonably handled.

Recommendations

What we asked the organisation to do in this case:

- Consideration to be given to making a further good will payment.

We have asked the organisation to provide us with evidence that they have implemented the recommendations we have made on this case by the deadline we set.